



Australian Bureau of Statistics

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Summary

Main Features

ABOUT THIS PUBLICATION

This publication includes feature articles that provide a South Australian focus on economic, social and environmental issues. In June, September, December and March, the publication provides an overview of the South Australian economy.

This month there are two articles.

The first article is on **South Australian Business and Innovation**. This article presents information on innovation activities for South Australian businesses. Included are comparisons with other states and territories and details on types of innovation.

The second article is on the **Recent History of Population Change in South Australia, 1993-94 to 2003-04**. This article describes the population change in South Australia over the ten year period including comparisons with the total Australian population change. The article also looks at the sources of population growth.

The data in these articles are presented in **original** terms. Explanatory Notes are not included in SA Stats in the form found in other ABS publications. Readers are directed to the Explanatory Notes contained in source ABS publications.

If you have any comments about this product please contact Lisa Moutzouris on ph: (08) 8237 7455 or alternatively e-mail lisa.moutzouris@abs.gov.au.

SOUTH AUSTRALIAN BUSINESS AND INNOVATION

South Australia has the highest proportion of businesses undertaking innovative activity of any state or territory in Australia, with 45.9% of South Australian businesses reporting some form of innovation in the three years to December 2003, according to the data in **'Innovation in Australian Business'** (ABS cat. no. 8158.0). This is much higher than the national average of 34.8%. All other states and territories range from 26.5% for Tasmania to 36.4% for New South Wales.

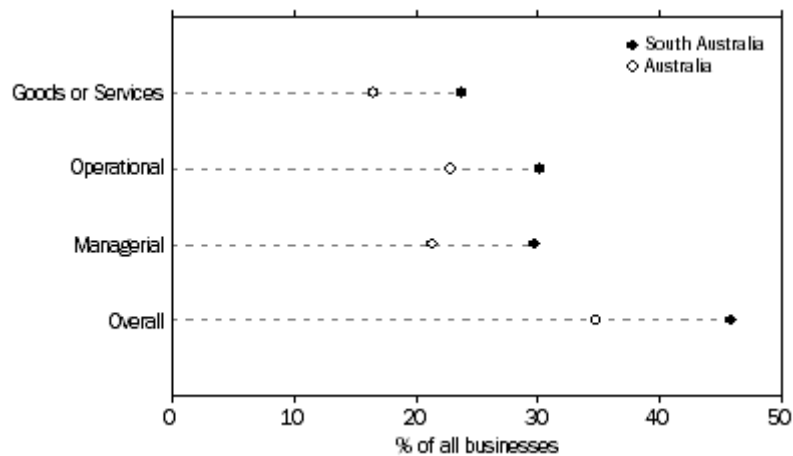
Innovation has been classified into three categories. In all three fields of innovation, South Australia was above the national average (see Graph 1, below).

- 1) A 'new good or service' means any good or service, or combination of these, which is new to a business.
- 2) A 'new operational process' is a significant change for a business in its methods of

producing or delivering goods or services.

3) A 'new organisational/managerial process' is a significant change to the strategies, structures or routines of the business which aim to improve performance.

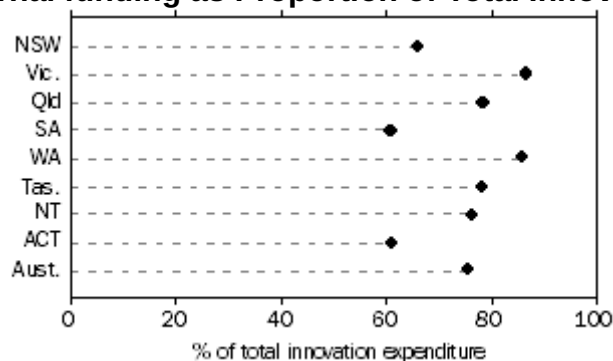
Graph 1. Types of Innovation Undertaken 2001-2003



Only 53.8% of SA businesses which innovate consider that increased revenue is a driver of innovation in new goods and services, whereas nationally the figure is 61.0%. At the same time, more SA businesses undertaking innovation report that there are barriers to innovation (82.6%) when compared to the national average (75.5%). Only 42.6% of non-innovating businesses in South Australia reported that there were barriers to innovation (47.4% nationally). One reason for this may be that those businesses who had not undertaken innovation in the survey period had never undertaken innovation, so had never encountered these barriers.

The proportion of innovating businesses which perceive excessive economic risk to be a barrier to innovation is lower in South Australia (16.6%) than in Australia overall (24.4%). The way South Australian businesses finance innovation may contribute to this perception. On average only 60.9% of funds for innovation come from within a company, well below the national average of 75.5% (see Graph 2, below).

Graph 2. Internal funding as Proportion of Total Innovation Funding



(Please note that the South Australian data should be used with caution due to the moderate relative standard error of 10%-25%.)

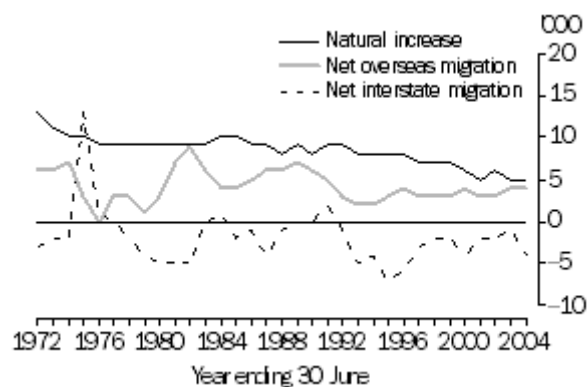
Source: 'Innovation in Australian Business' (ABS cat. no. 8158.0)

A RECENT HISTORY OF POPULATION CHANGE IN SOUTH AUSTRALIA, 1993-94 TO 2003-04

BACKGROUND

In the period 1993-94 to 2003-04 South Australia's population increased by 66,600 persons to 1,532,700. The state's population grew at a rate of 0.5% on average per year, which was less than half of that of Australia (1.2%). The sources of positive population growth over this period were natural increase (the excess of births over deaths) and net overseas migration (the excess of arrivals over departures) adding 63,800 and 33,100 persons respectively to the state's population. The other component of population change, net interstate migration (the excess of arrivals over departures), resulted in a net loss from South Australia of 33,000 persons over the same period. Not since 1974-75 has the net interstate migration significantly contributed to positive population growth in South Australia (13,000 persons). This was a result of a 60.4% increase in interstate arrivals over the previous year to 13,000 persons, following Cyclone Tracy in the Northern Territory in December 1974.

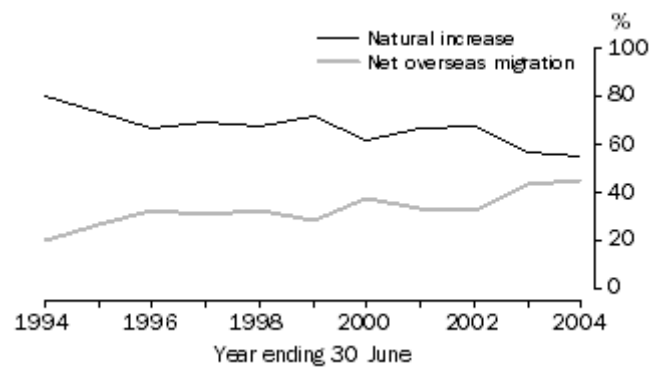
Components of population growth, South Australia



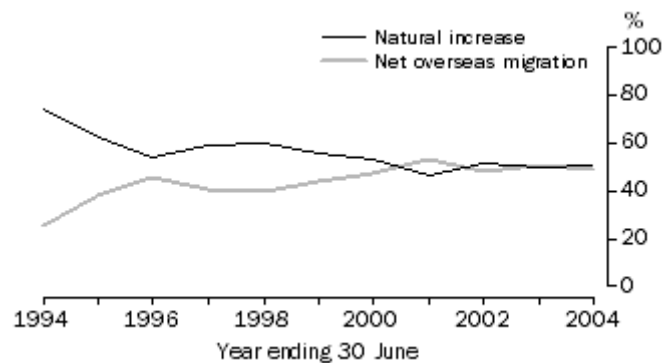
SOURCES OF GROWTH

The period 1993-94 to 2003-04 saw a major change in the balance of natural increase and net overseas migration in South Australia. In 1993-94 natural increase accounted for 80% of the two components, but by 2003-04 the sources of positive population growth had become more equal, with natural increase accounting for 55% and net overseas migration accounting for 45% of the combined growth. Australia's net overseas migration exceeded natural increase to become the major source of net population growth in 2000-01, accounting for 53% of all net growth.

Proportion of population growth, South Australia



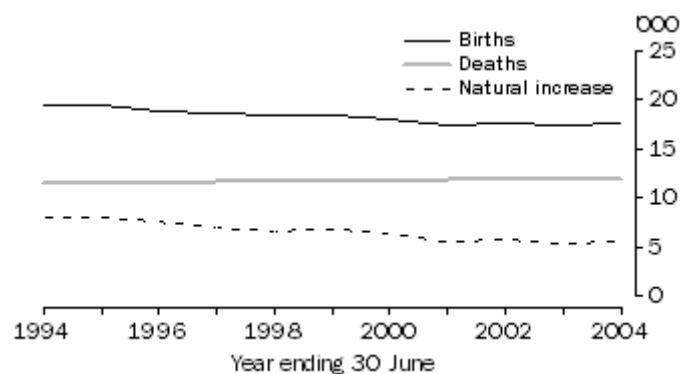
Proportion of population growth, Australia



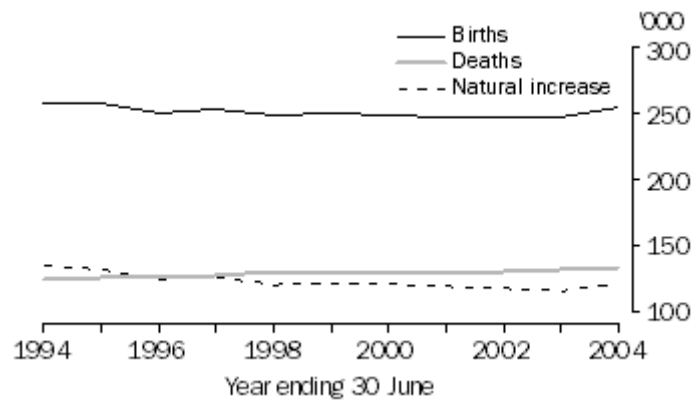
Natural increase

In the period 1993-94 to 2003-04 in South Australia natural increase (the excess of births over deaths) decreased at an average rate of 3.4% per year. Over the same period for Australia natural increase declined at an average rate of 1.2% per year. In South Australia the decrease was attributed more to the falling number of births which decreased by an average of 1.1% per year rather than a rise deaths (0.8%). On the other hand, Australia's declining natural increase can be attributed more to the rise in the number of deaths at a rate of 0.9% on average per year, which was more than the fall in number of births (a decline of 0.2% on average per year).

Natural increase, South Australia



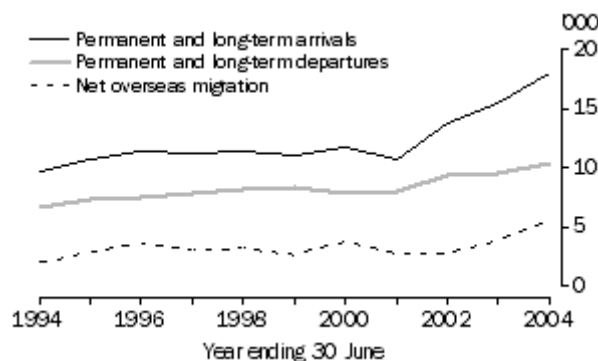
Natural increase, Australia



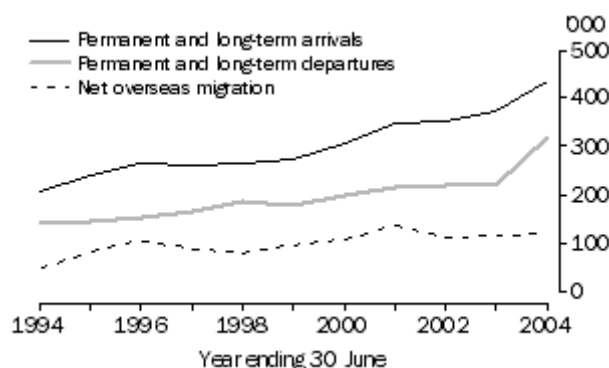
Net overseas migration

In the period 1993-94 to 2003-04 the net overseas migration in South Australia increased by an average of 15% per year, slightly less than that of Australia (which increased by a rate of 16% on average per year). In South Australia the number of permanent and long-term arrivals has been increasing by an average rate of 6% per year, greater than the rise in the number of permanent and long-term departures (4%). In Australia, permanent and long-term arrivals are greater in number but have been increasing at a lower average rate per year (7%) than that of permanent and long-term departures (8%). Between 1993-94 and 2003-04, South Australia's share of both arrivals to and departures from Australia averaged 4% over the 10 years. Despite having an average of 8% of the nation's total population in the years 1994 to 2004, South Australia's overall net gain from overseas migration was only 3%.

Overseas migration, South Australia



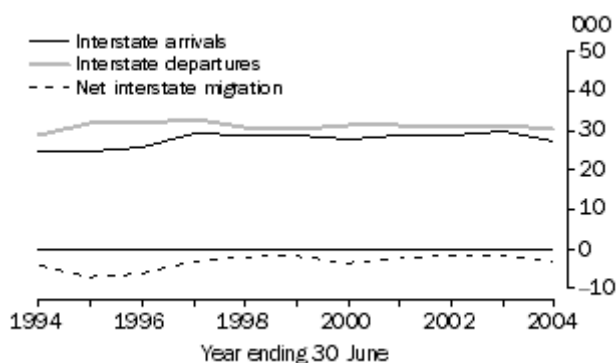
Overseas migration, Australia



INTERSTATE MIGRATION: A SOURCE OF DECLINE

In the period 1993-94 to 2003-04 net interstate migration to South Australia grew by an average rate of 9% per year, despite the number of interstate departures exceeding that of interstate arrivals in every year during the period. Between 1993-94 to 2003-04 interstate arrivals added an average of 27,900 persons per year to South Australia's population, but there was also an average loss of 31,100 persons per year due to interstate departures. Over the period 1993-94 to 2003-04 there has been a net loss of 33,000 persons interstate. The State Government has actively sought to reverse this trend by attracting more migration from interstate through initiatives such as 'Adelaide - Make the move', despite net interstate migration being a source of population decline historically.

Interstate migration, South Australia



CONCLUSION

The period 1993-94 to 2003-04 has seen a significant change in the components of positive net population growth in South Australia. If these trends of a declining natural increase and negative net interstate migration continue, it is likely that net overseas migration will become the major source of population growth in South Australia over the coming years. If this occurs it will be the first time since 1974-75, when net interstate migration peaked following Cyclone Tracy, that the natural increase has not been the major source of population growth in South Australia.

Sources: ABS publications 'Australian Historical Population Statistics', (cat. no. 3105.0.65.001); 'Migration Australia, 2003-04', (cat. no. 3412.0), and 'Australian Demographic Statistics', March 2005 (cat. no. 3101.0).

About this Release

ABOUT THIS RELEASE

An economic summary for South Australia is provided each quarter in the form of graphs and explanatory text. In the second and third months of each quarter one or more articles

examine an area of specific interest to South Australia.

Replaces: 1307.4

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